

COMMONWEALTH OF VIRGINIA  
**WORKFORCE INVESTMENT ACT**  
VIRGINIA EMPLOYMENT COMMISSION

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**FIELD GUIDANCE MEMORANDUM # 05-11**

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**TO:** LOCAL WORKFORCE INVESTMENT BOARDS

**FROM:** WIA DIVISION

**SUBJECT:** CERTIFICATES AND CREDENTIALS

**DATE:** June 30, 2006

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**RESCINDS – Field Guidance Memorandum #03-01, dated March 27, 2003**

Training opportunities are provided to Workforce Investment Act (WIA) customers that enable them to gain skills necessary to obtain and maintain employment. A certificates and credentials system provides WIA customers with documentation of their attainment of skill levels associated with the participation in WIA or non-WIA funded training services.

Implementation of the common measures and ongoing reviews by the Government Accountability Office (GAO), the Office of the Inspector General (OIG) and Employment and Training Administration have identified a need to change the scope and focus of the certificate and credential process under the Workforce Investment Act.

The common measures and the changes in the WIA reporting requirements require a change to guidance provided to local workforce areas on certificates and credentials.

For participants who received training services prior to July 1, 2006, they are covered by the following terminology:

**Competency** - the possession of required skills, knowledge, expertise, qualifications or capacities for the task involved.

**Credential** – nationally recognized degree or certificate or State/locally recognized credential. Credentials include, but are not limited to, a high school diploma, GED or other recognized equivalents, post-secondary degrees/certificates, recognized skill standards, and licensure or industry-recognized certificates, including State Education Agency and Regulatory Board recognized credentials. Locally recognized credentials are those that are developed to meet the needs of local business and industry, and may be earned through business/industry training.

WIA section 136 establishes a comprehensive performance accountability system to assess the effectiveness of local areas in the attainment of a recognized credential by

participants who receive training services and enter unsubsidized employment, or by participants who eligible youth age 19 through 21 who enter postsecondary education, advanced training or unsubsidized employment. Older youth (age 19 through 21) do not have to meet the training requirement to be included in the Older Youth Credential Rate.

Credentials can be attained while a customer is participating in services or up to three quarters following exit from the program.

**For participants who begin receiving services on or after July 1, 2006, the following definition of “certificate” will be applied:**

**Certificate** – A certificate is awarded in recognition of an individual’s attainment of measurable technical or occupational skills necessary to gain employment or advance within an occupation. These technical or occupational skills are based on standards developed or endorsed by employers. *Certificates awarded by workforce investment boards are not included in this definition. Work readiness certificates are also not included in this definition.* A certificate is awarded in recognition of an individual’s attainment of technical or occupational skills by:

- A stated educational agency or a state agency responsible for administering vocational and technical education within a state.
- An institution of higher education described in Section 102 of the Higher Education Act (20 USC 1002) that is qualified to participate in the student financial assistance programs authorized by Title IV of that Act. This includes community colleges, proprietary schools, and all other institutions of higher education that are eligible to participate in federal student financial aid programs.
- A professional industry, or employer organization (e.g. National Institute for Automotive Service Excellence certification, National Institute for Metalworking Skills, Inc., Machining Level I credential) or product manufacturer or developer (e.g., Microsoft Certified Database Administrator, Certified Novell Engineer, Sun Certified Java Programmer) using a valid and reliable assessment of an individual’s knowledge skills and abilities.
- A registered apprenticeship program
- A public regulatory agency, upon an individual’s fulfillment of educational, work experience, or skill requirements that are legally necessary for an individual to use an occupational title or to practice an occupation or profession (e.g., FAA aviation mechanic certification or state certified asbestos inspector).
- A program that has been approved by the Department of Veterans Affairs to offer education benefits to veterans and other eligible persons.
- Job Corps centers that issue certificates.
- Institutions of higher education which is formally controlled or has been formally sanctioned, or chartered, by the governing body of an Indian tribe or tribes.

**Credential** – A nationally recognized degree or certificate or state/locally recognized credential. Credentials include, but are not limited to, a high school diploma, GED, or other recognized equivalents, post-secondary degrees/certificates, recognized skill

standards, and licensure or industry-recognized certificates. States should include all state education agency recognized credentials. In addition, states should work with local workforce boards to encourage certificates to recognize successful completion of the training services that are designed to equip individuals to enter or re-enter employment, retain employment, or advance into better employment. (Please note: this term applies to the current WIA statutory adult, dislocated worker, and older youth measures only, as does not apply to the common measures).

### **Certificate/Credential Documentation:**

Local workforce areas have flexibility in methods used to collect data on certificates/credentials for the adult, dislocated worker, older youth credential rate, and younger youth diploma/equivalent attainment rates. Possible documentation sources:

1. Case management, follow-up services, and surveys of participant to determine that the participant has received a credential and written documentation of that certificate/credential; or
2. Record-sharing agreements and/or automated matching with administrative/other data sources to determine and document that the participant has received a certificate/credential. These sources may include:
  - State boards of education
  - State boards governing community colleges
  - State boards governing universities
  - State licensing boards for private schools
  - State education associations
  - Integrated post-secondary or higher education reporting units
  - State Department of Professional or Occupational Regulation (possibly other units such as health care administration or specific boards like the “Board of Nursing”)
  - Training institutions/providers
  - Adult Basic Education providers (GED/equivalent testing agencies)

The Family Educational Rights and Privacy Act (FERPA) (20 U.S.C. Section 1232g; See the Act’s regulations at 34 CFR Part 99) is a Federal law that protects the privacy of student education records. This law applies to all schools that receive U.S. Department of Education funds and may restrict access to a participant’s education outcome information.

All data and methods to determine achievement of credentials must be documented and are subject to audit. Computer records from automated record matching are considered a valid written record. A telephone response from the participant must be accompanied by written document such as a certificate, degree, or other written documentation. Telephone verification with the certification institution/entity that a person attained the credential is also acceptable, but must also be documented.

Performance measures impacted by the Certificate/Credential definition:

**Adult Employment and Credential/Certificate Rate** - *Of those adults who received training services:*

Number of adult participants who were employed in the first quarter after exit and received a credential/certificate by the end of the third quarter after exit divided by the number of adults who exited services during the quarter.

Operational Parameters:

- The use of the definition of “certificate” is applicable for participants who begin receiving services on or after July 1, 2006. Adult participants who received training services prior to July 1, 2006 are covered under previous requirements.
- The numerator of this measure includes those who were employed in the first quarter after exit regardless of whether they were employed at participation.
- Credentials/certificates can be obtained while a person is still participating in services and up to three quarters following exit.

**Dislocated Worker Employment and Credential Rate** – *Of dislocated workers who received training services:*

Number of dislocated who were employed in the first quarter after the exit quarter and received a credential/certificate by the end of the third quarter after exit divided by the number of dislocated worker participants who exit during the quarter.

Operational Parameters:

- The use of the definition of “certificate” is applicable for participants who begin receiving services on or after July 1, 2006. Adult participants who received training services prior to July 1, 2006 are covered under previous requirements.
- The numerator of this measure includes those who were employed in the first quarter after exit regardless of whether they were employed at participation.
- Credentials/certificates can be obtained while a person is still participating in services and up to three quarters following exit.

**Older Youth Credential/Certificate Rate** -

Number of older youth who are in employment, post-secondary education, or advanced training/advanced training-occupational skills training in the first quarter after the exit quarter and received a certificate/credential by the end of the third quarter after the exit quarter divided by the number of older youth participants who exit during the quarter.

Operational Parameters:

- The use of the definition of “certificate” is applicable for participants who begin receiving services on or after July 1, 2006. Older youth participants who received training services prior to July 1, 2006 are covered under previous requirements.
- The use of the definition of “advanced training/occupational skills training” is effective on July 1, 2006. Older youth participants who received services prior to July 1, 2006 are covered under the previous requirements.

- As opposed to the adult and dislocated worker measures where a credential/certificate must be coupled with employment, for older youth, a credential/certificate can be coupled with employment, entry into post-secondary education, or entry into advanced training.
- As opposed to the adult and dislocated worker measures where only those who received training services are included in the measure, all older youth exiters will be included in this measure.
- Credentials/certificates can be obtained while a person is still participating in services.

For the Adult and Dislocated Worker Employment and Credential Rates, the following are training services included in the statement – ***Of those who received training services:***

- (D) **TRAINING SERVICES-** Training services may include--
- (i) occupational skills training, including training for nontraditional employment;
  - (ii) on-the-job training;
  - (iii) programs that combine workplace training with related instruction, which may include cooperative education programs;
  - (iv) training programs operated by the private sector;
  - (v) skill upgrading and retraining;
  - (vi) entrepreneurial training;
  - (vii) job readiness training;
  - (viii) adult education and literacy activities provided in combination with services described in any of clauses (i) through (vii); and
  - (ix) customized training conducted with a commitment by an employer or group of employers to employ an individual upon successful completion of the training.